

University of Connecticut Health Center

Finance, Revenue and Bonding

March 4, 2013



UConn
Health Center

Bioscience Connecticut

Connecticut's Only Public Academic Health Center

Schools

School of Medicine
School of Dental Medicine
Graduate School of
Biomedical Sciences

Patient Care

John Dempsey Hospital
University Dentists
University Medical Group



**Translational
Research,
Innovation &
Commercial-
ization**

Residency Training

Graduate Medical
Education

Population Health and Public Health

MPH program
CT Health Information Network
Health Disparities Institute
Center for Public Health & Health Policy

Jobs, Economic Growth, Innovation

UConn Health Center

A Critical source of the State's health care professionals

- 35% of School of Medicine graduates, 51% of School of Dental Medicine graduates and 40% of medical residents practice in the State
- CT residents comprise 84% of the School of Medicine for the entering class of 2012
- Minority enrollment in both schools is at or above the national average

An Economic driver for the region and state

- Catalyst for new biomedical and biotech jobs, e.g. stem cell, genomics, personalized medicine, drug and device development
- Generates nearly \$1 billion in Gross State Product
- State-of-the-art lab incubator space for small startup companies

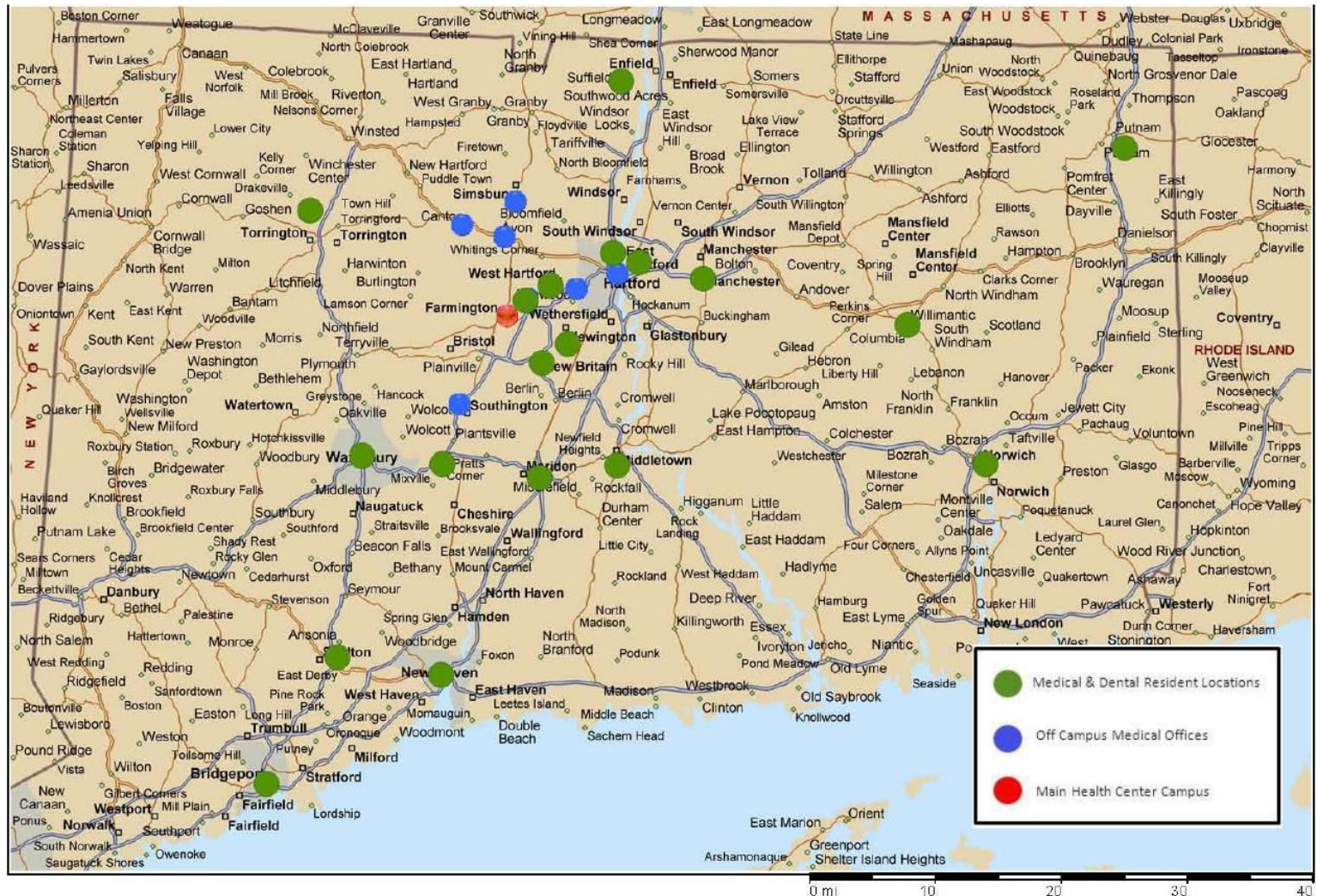
A Major Employer:

- 5224 employees from every county in the state

Guiding Values

- **Care and Compassion:** The patient comes first, and the patient is the center of our education, research and teaching missions.
- **Distinction:** We will foster an environment of insatiable discovery in our research endeavors.
- **Stewardship:** We will engage students as partners in discovery and innovation.
- **Community:** We will serve all the citizens of CT, paying special attention to the poor and underserved.

Presence Across Connecticut



Jobs, Economic Growth, Innovation

Bioscience Connecticut



Jobs, Economic Growth, Innovation

Bioscience Connecticut: PA 11-75

Goal: To help jumpstart Connecticut's economy by creating jobs now and by generating long-term economic growth, and to increase access to quality health care. Both goals can be achieved by making Connecticut a leader in bioscience.

Objectives: Provide new strategic investment and recast existing commitments to:

- Create 3,000 construction related jobs annually through 2018.*
- Generate \$4.6 billion increase in personal income and generate 16,400 jobs by 2037.
- Double federal and industry research grants to drive discovery, innovation and commercialization.
- Increase access to high quality health care.
- Graduate and retain more physicians and dentists to meet forecasted workforce shortage and meet increased demand for health care services resulting from health care reform and an aging population.

This legislative initiative is aimed at job creation for Connecticut and better health care for all citizens of the state.

* According to estimates from a 2011 study by the Connecticut Center for Economic Analysis.

Jobs, Economic Growth, Innovation

Bioscience Connecticut

Facilities and Infrastructure



- On-Track, On-Budget
- Construction Industry Benefits

Programs and People



- Essential to success of BSC
- Sustainable economic benefits

Facilities and Infrastructure

- 58,821 hours worked on projects to date
 - Female: 1,775 hrs (3%)
 - Minority: 12,078 hrs (21%)
 - Veteran: 1,667 hrs (3%)
- 29 of 34 construction sub-contracts awarded to CT companies; 14 of 34 awarded to SBA/MBE firms

CONSTRUCTION	REQUIREMENT	CURRENT
Small Businesses	25%	39%
Minority/Women's/ Disadvantaged Businesses	6.25%	18.4%

New Hospital Tower

- 169 private rooms
- New and expanded Emergency Department
- Completion in late 2015



Research Space Renovation

- Modernization of 238,000 sq. ft. of core research facilities
- 28,000 sq. ft. of new bioscience incubators for startup companies as an addition to Cell & Genome Sciences Building
- Completion in 2017



Jobs, Economic Growth, Innovation

Education Construction

- Addition and renovations to Academic building enables class size expansion
- Responds to needs of new curriculum
- Planning and construction 2013-2017

Outpatient Care Center

- State-of-the-art, multidisciplinary outpatient center on lower campus
- Adjacent to new parking garage and existing MARB
- Construction: 2013-2014



Jackson Laboratory for Genomic Medicine

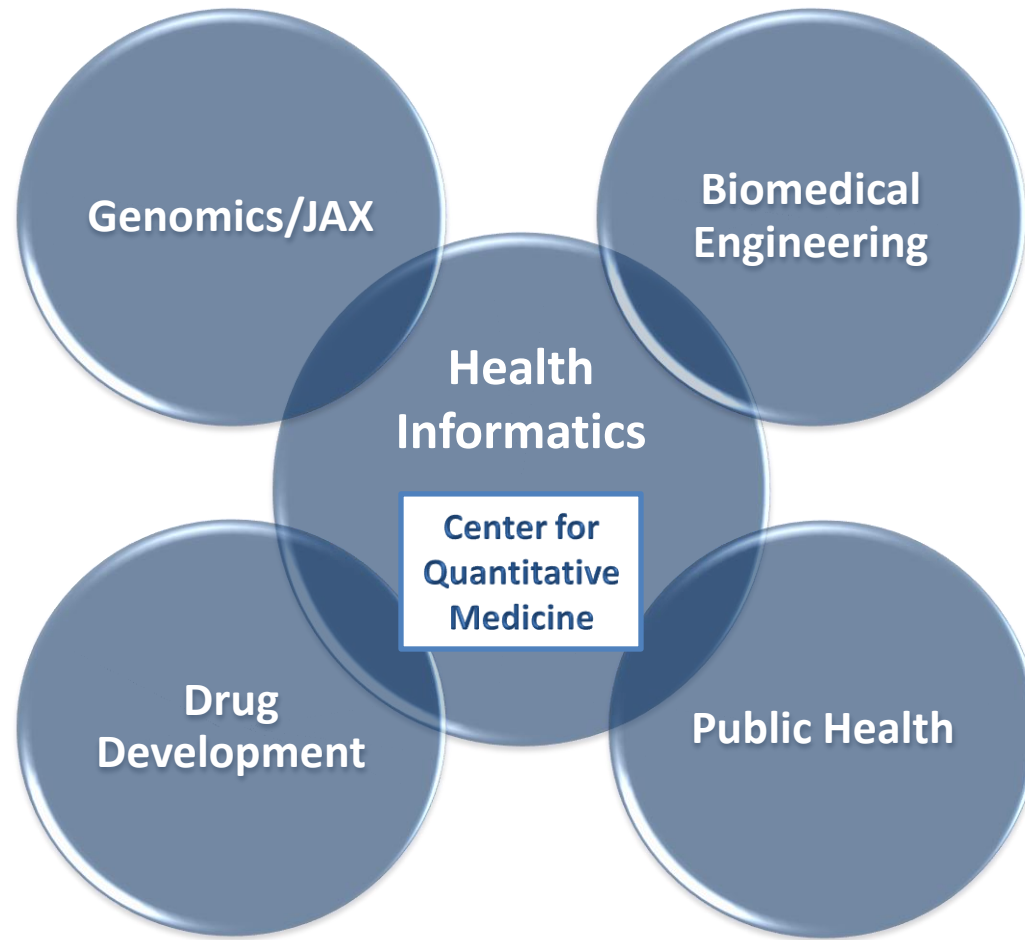


- Internationally renowned research leader
- New building on lower Health Center campus dedicated to personalized medicine
- Collaborating with universities and hospitals in the region
- Construction started in Jan. 2013

People Drive Excellence and Innovation

	2012	2013	2014	2015	2016	2017	2018	2019	TOTAL
School of Medicine Expansion	340 students	+ 5	+ 13	+ 13	+ 25	+ 20	+ 12	+ 12	440 students
School of Dental Medicine Expansion	160 students				+ 12	+ 12	+ 12	+ 12	208 students
Clinical Scientist Faculty Recruitment		+ 10	+ 15	+ 15					40 new faculty
Basic Scientist Recruitment (joint w/Jackson Labs)		+ 3	+ 4	+ 3					10 new faculty

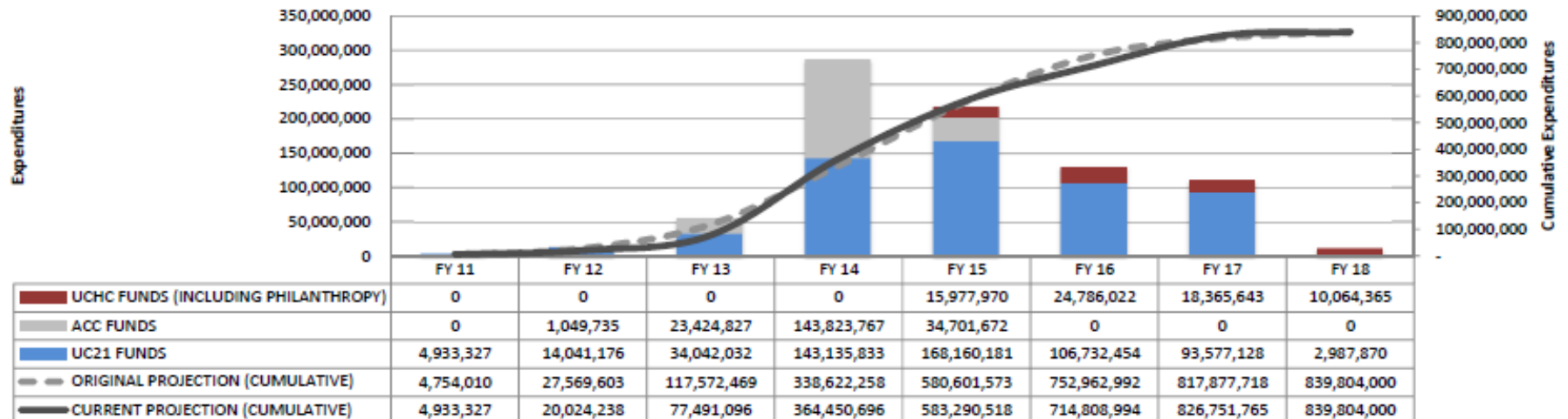
UConn Health Center Programmatic Directions



Bioscience Connecticut Budget and Funding Summary

	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	Funding Total
Current Funding									
UC 21 Bond Funds	30,990,000	68,700,000	83,500,000	130,800,000	98,500,000	99,549,875	55,770,125		567,610,000
Ambulatory Care Center (ACC) Funds			48,279,203	121,283,868	33,436,929				203,000,000
UCHC Funds (including philanthropy)					15,977,970	24,786,022	18,365,642	10,064,366	69,194,000
TOTAL FUNDS	30,990,000	68,700,000	131,779,203	251,883,868	147,914,899	124,335,897	74,135,767	10,064,366	839,804,000
Planned Expenditures									
JDH New Construction & Renovations	2,599,716	13,299,323	23,964,117	84,256,261	140,474,924	63,365,876	36,425,784		364,386,000
Academic Building Additions & Renovations			1,044,759	1,595,241	1,144,851	22,014,073	4,951,075		30,750,000
Clinical Renovations - C Bldg			226,923	3,335,158	5,328,048	30,053,021	37,707,484	10,064,365	86,715,000
Main Building Lab (L) Renovations	2,333,611	741,853	8,800,233	51,535,823	22,244,833	14,050,350	32,858,428	2,987,870	135,553,000
Ambulatory Care Center		1,049,735	23,424,827	143,823,767	34,701,672				203,000,000
Incubator Lab Addition - CGSB			6,000	2,413,349	14,945,495	2,035,158			19,400,000
ANNUAL PROGRAM EXPENDITURES	4,933,327	15,090,911	57,466,858	286,959,599	218,839,822	131,518,476	111,942,771	13,052,235	839,804,000
TOTAL UNEXPENDED	26,056,673	79,665,762	153,978,107	118,902,375	47,977,452	40,794,873	2,987,869	-	-

Planned Project Expenditures by Source



UConn Health Center FY14 & FY15 State Appropriation Summary

	FY14	FY15
	Governor Recommended Feb 2013	Governor Recommended Feb 2013
Current Services	118,224,720	123,800,416
Bioscience CT funding	11,900,724	16,765,958
FY2013 Recissions carry forward	(25,285)	(25,285)
FY2013 Deficit Mitigation carry forward	(4,121,609)	(4,121,609)
Reduce Operating Fund support	(1,486,437)	(1,486,437)
Fire Depart Modification	(420,391)	(420,391)
Reallocate Fringe benefits	71,566,732	74,607,351
Total	195,638,454	209,120,003
Nonfunctional - Change to Accrual	(1,015,846)	(1,103,433)
Appropriation w/o Accrual	194,622,608	208,016,570
Medicaid Reduction - JDH	486,986	486,986
Bonding:		
Bioscience CT Faculty Recruitment Start Up/Equipment	1,400,000	2,000,000
Increase in Deferred Maintenance	5,000,000	-
	6,400,000	2,000,000
Block Grant	111,155,152	116,643,261
Bioscience CT funding	11,900,724	16,765,958
Block Grant w/o Fringe	123,055,876	133,409,219
Reallocation of Fringe in Block Grant	71,566,732	74,607,351
Total Block Grant	194,622,608	208,016,570

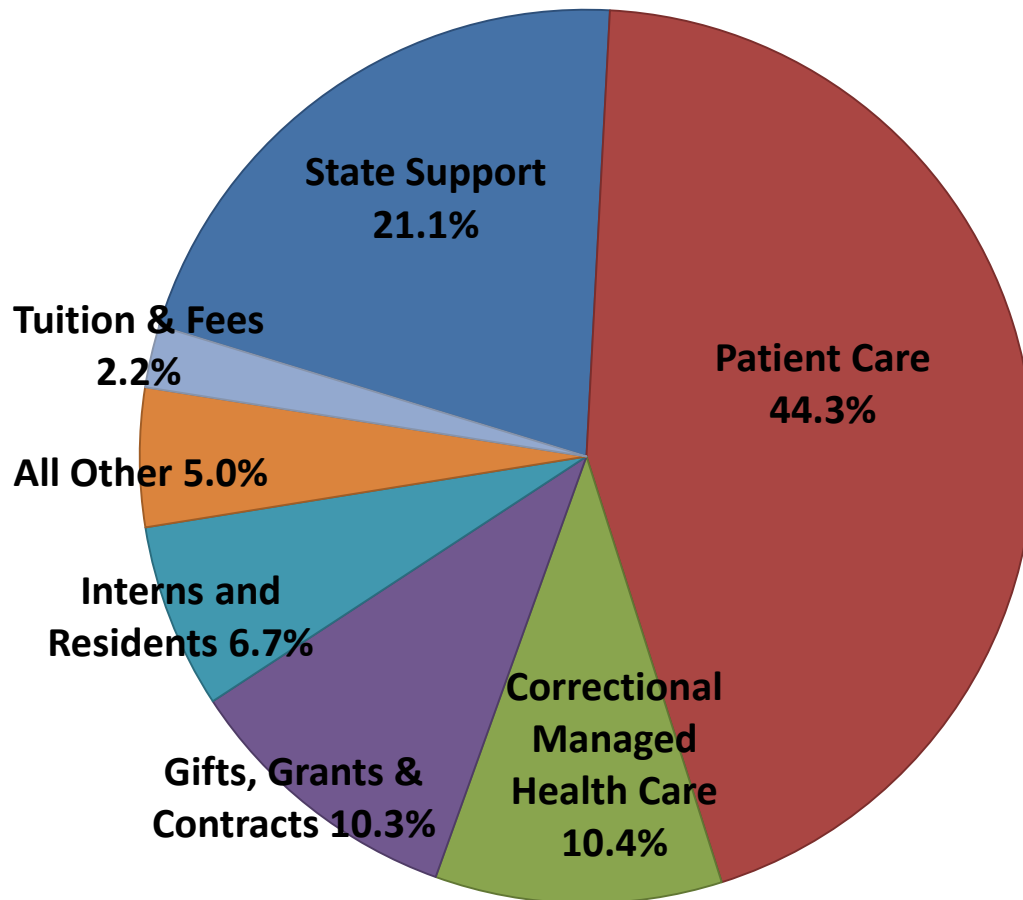
*In FY16 an additional \$2.6M is recommended for Bioscience CT Faculty Recruitment Start Up/Equipment.

Total recommended for FY 14, 15 & 16 = \$11M.

Jobs, Economic Growth, Innovation

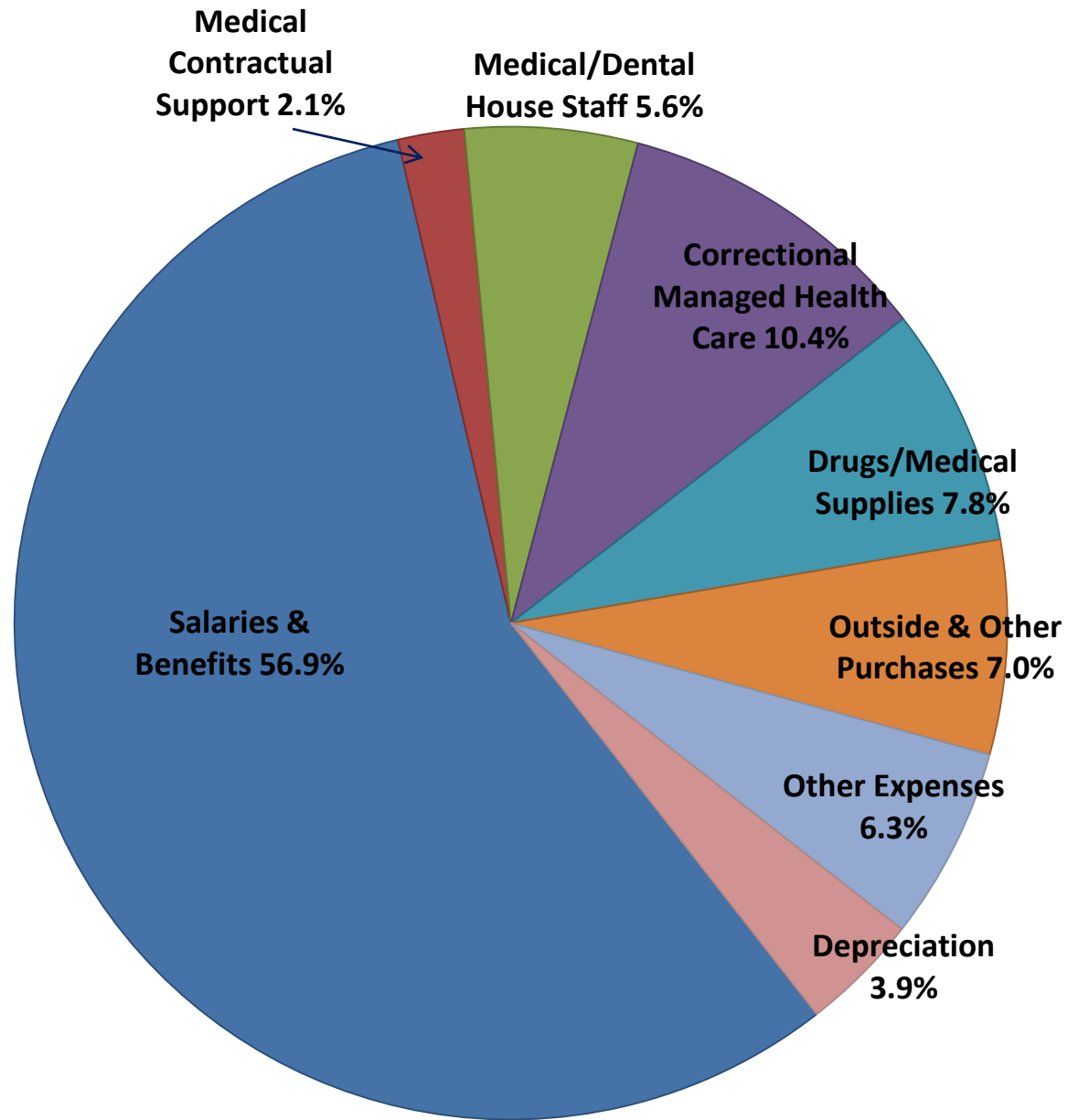
Health Center FY13 Revenue Budget: \$825M

- 21.1% of the Health Center budget is State supported
- 78.9% comes from other revenues (clinical, research, tuition, philanthropy)

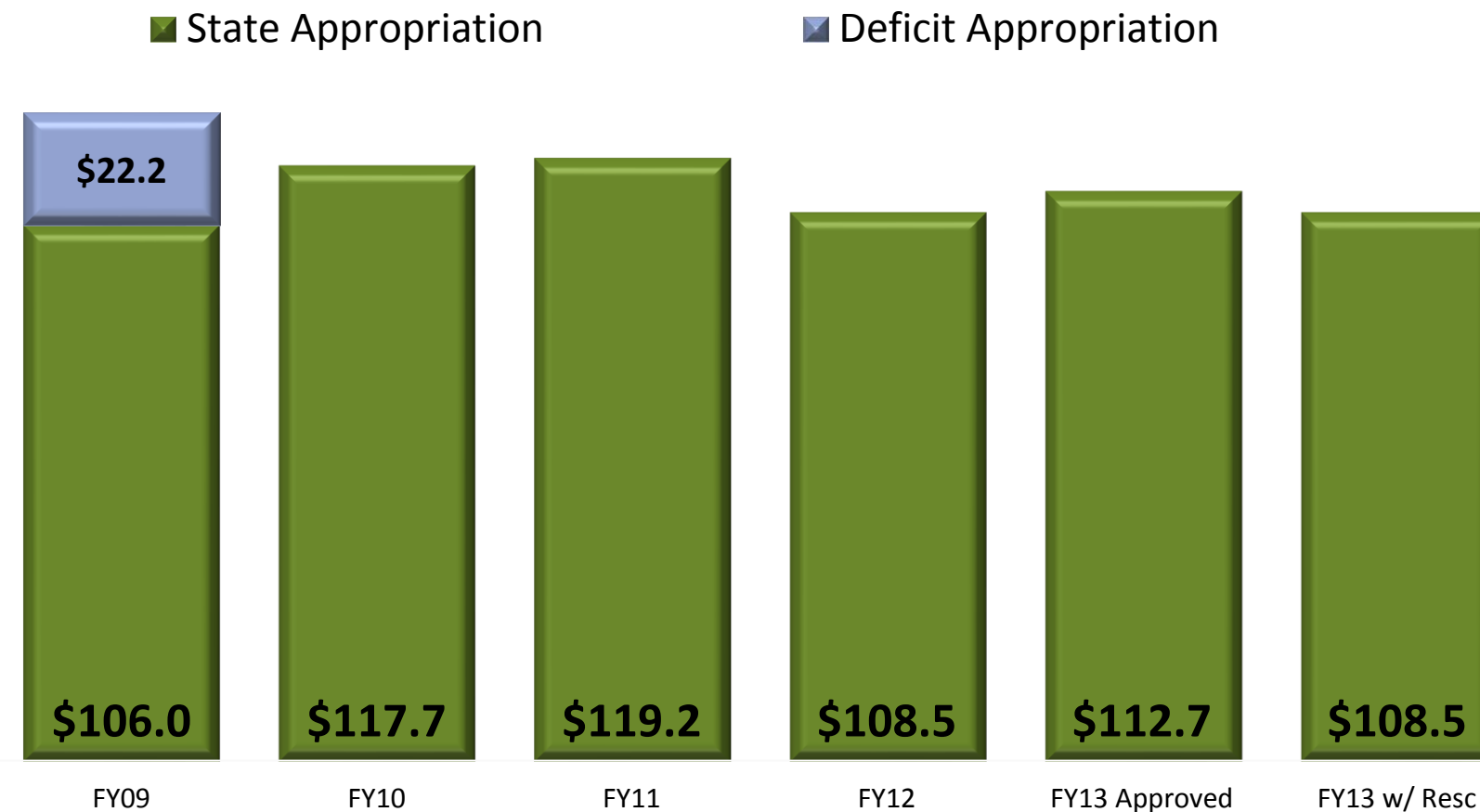


Jobs, Economic Growth, Innovation

Health Center FY13 Expenditure Budget: \$825M



History of State Appropriations (\$M)



Not adjusted to account for \$20M transferred from the UCHC Medical Malpractice Trust Fund to the General Fund in FY10 and FY11.

Connecticut's Only Public Academic Health Center

3 Schools:

School of Medicine

School of Dental Medicine

Graduate School of
Biomedical Sciences



School of Medicine

359 Students



Key Strengths

Basic & Public Health Research	Clinical & Translational Research & Care	Education
Cell analysis & modeling	Musculoskeletal disease	Shared medical & dental curriculum in yrs. 1-2
Stem cells	Aging	Early clinical exposure
Genomics	Stroke	Team-based learning
Immunology	Cancer	Minority enrollment
Health equity	Cardiac disease	GME leadership
Care delivery	Alcohol & tobacco research	Community partnerships

Jobs, Economic Growth, Innovation

School of Dental Medicine

169 Students



Key Strengths

Basic Research

Regenerative medicine
Skeletal biology
Inflammation

Clinical & Translational Research & Care

Major provider to CT's
underserved
Oral linkage to systemic
diseases
Health disparities
Oral cancer
Biomaterials
Dental implant technology

Education

Shared medical & dental
curriculum in yrs. 1-2
Outstanding national
boards performance
Community outreach
Team-based learning

Jobs, Economic Growth, Innovation

The Graduate School

157 PhD Students

161 Masters Students



Programs				
Biomedical Science (PhD)	Public Health (PhD, MPH)	Clinical & Translational Research (MS-CTR)	Dental Science (MDS)	Combined Degree Programs
Cell analysis & modeling	Social & behavioral health	Cancer	Masters Degree	MD: MD/ PhD, MD/ MPH, MD/MS-CTR, MD/MBA DMD: DMD/PhD, DMD/MPH, DMD/MS-CTR, DMD/MBA PhD: PhD/MBA, PhD/MS-CTR
Genetics & developmental biology	Occupational & environmental health	Microbial pathogenesis		
Cell biology		Neuroscience		
Immunology		Vascular biology		
Molecular bio & chemistry				
Neuroscience				
Skeletal, cranio, oral Biology				

Connecticut's Only Public Academic Health Center



Residency Training
Graduate Medical
Education

Jobs, Economic Growth, Innovation

Partner and Resource to Other Hospitals

- 718 residents (618 medical and 100 dental) who train and provide patient care in local hospital, dozens of community settings in more than 20 communities across the state
- 52 UConn Medical Internship/Residency Programs contribute to the quality of healthcare service in the participating hospitals and also drive additional Medicare reimbursement revenues at affiliated hospitals:

Hospitals FY 11	Graduate Medical Education & Indirect Medical Education Reimbursement
CT Children's	\$2.8M
Hartford Hospital	\$40.1M
Hospital of Central Connecticut	\$7.4M
John Dempsey Hospital	\$20.9M
St. Francis Hospital	<u>\$27.1M</u>
TOTAL	\$98.3M

Connecticut's Only Public Academic Health Center

Patient Care

John Dempsey Hospital

University Dentists

University Medical Group



Clinical Services/Patient Care

KEY SERVICE STATISTICS (FY12)

- 8,580 inpatient admissions
- 880,225 outpatient visits
- 94,908 dental clinic visits

All UCONN Health Center clinical care venues serve as sites for teaching and learning and are essential for attracting talented faculty who teach, do research and provide patient care.

- **John Dempsey Hospital (JDH):** an acute care, university teaching hospital licensed for 234 beds.
- **UConn Medical Group (UMG):** the region's largest multi-specialty faculty clinical group practice
- **University Dentists and UConn Dental Clinics:** CT's single largest provider of dental care for the under and uninsured

Opened in 1975, JDH is the only public, acute care hospital in CT and the 2nd smallest academic health center hospital in the U.S.; originally planned as 400 beds, JDH was built at 200 beds. The 2nd tower was never built.

Licensed at 234 beds, of which 184 are currently staffed (50 medical/surgical beds will come on-line upon completion of new hospital tower), 65 are very specialized (Correctional, Psychiatry, Maternity), 119 are medical/surgical (flexible) beds, and home to 40 NICU beds licensed by Connecticut Children's Medical Center.

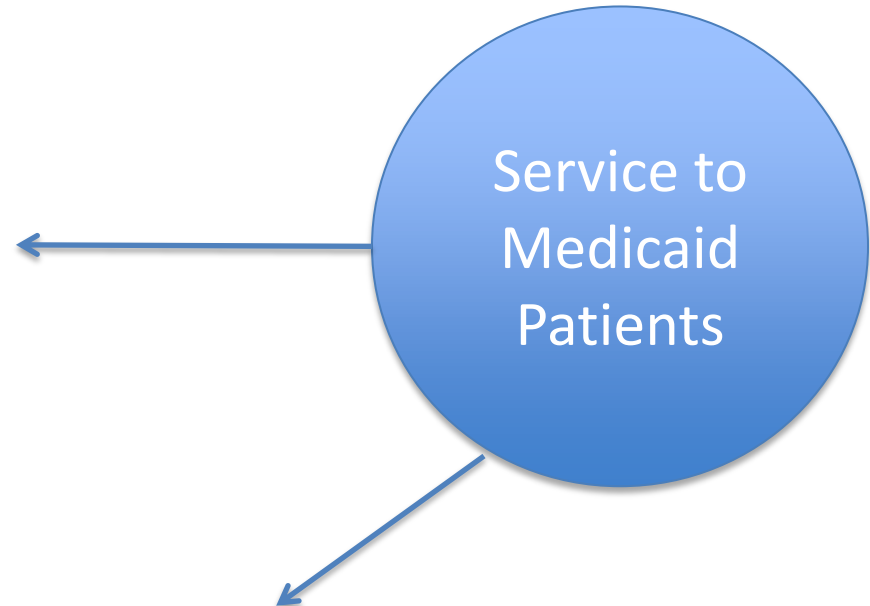
Faces same challenges as the state's other 30 acute care hospitals: Medicaid/Medicare cutbacks, uncompensated care, declining reimbursement rates, nursing and other health care professional shortages and an intensely competitive marketplace.

Jobs, Economic Growth, Innovation

An Essential Healthcare Provider to Connecticut's Underserved Citizens

MEDICAL SERVICES

- Ranks among the top 3 hospitals in the state in Medicaid inpatient days as a percentage of total inpatient days at (nearly 30%)
- Disproportionate share hospital for Medicaid and Medicare (1 of only 5 in state)



DENTAL SERVICES

- Single largest provider of dental services to Medicaid recipients & the under/uninsured
- 68.3% of patient visits to the UCONN dental clinics are Medicaid clients (Farmington, Burgdorf Clinic, Connecticut Children's Medical Center, and CONNcept in West Hartford)
- Services are provided in 21 community sites across the state (Hartford, New Britain, East Hartford, Manchester, Waterbury, Norwich, New Haven, Derby, Willimantic, Putnam, Bridgeport, and Torrington) (49,387 Total visits)

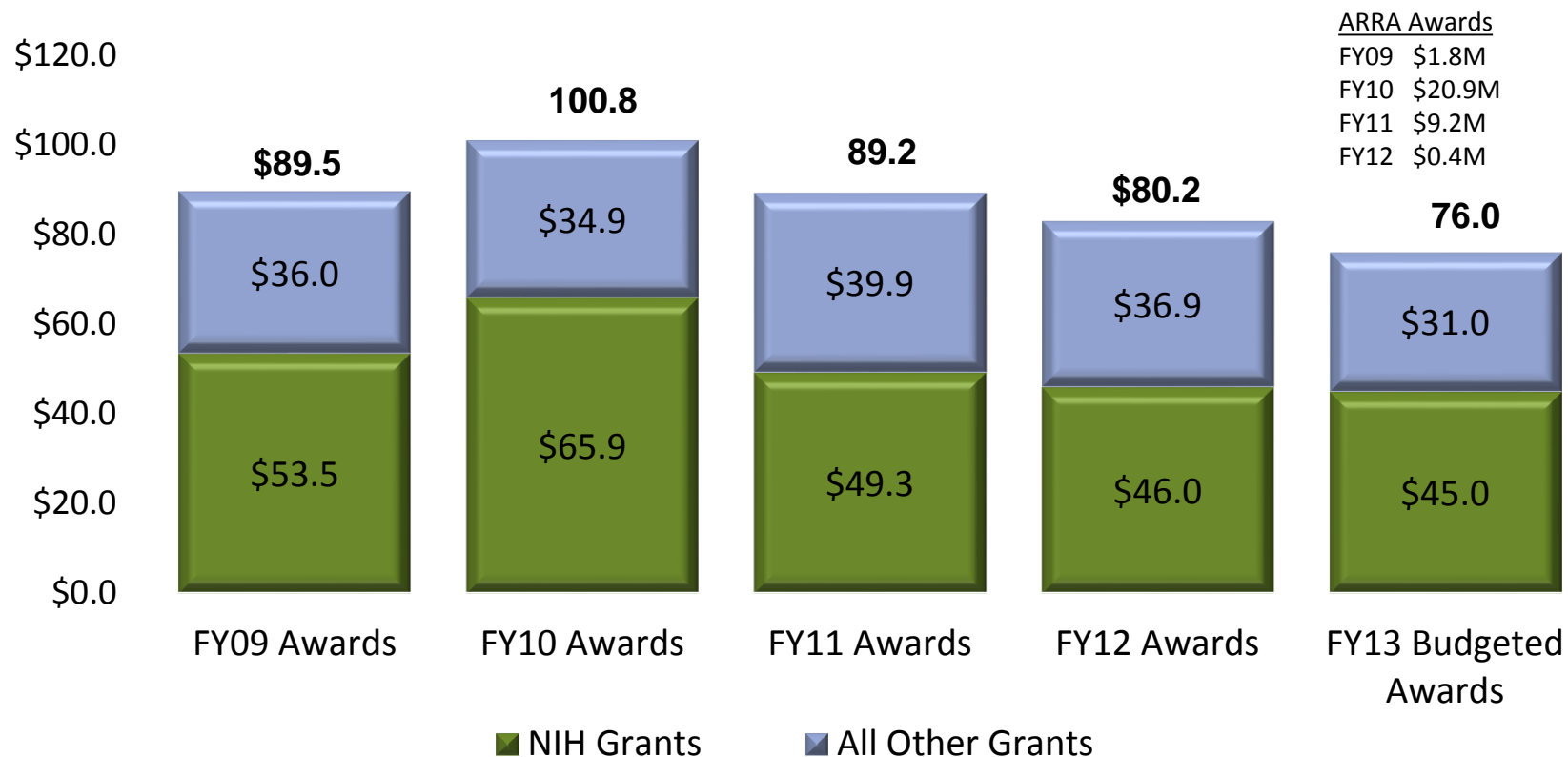
Connecticut's Only Public Academic Health Center



**Translational
Research,
Innovation &
Commercial-
ization**

Biomedical Science and Research– Leads to Innovation

\$80M in federal and other research grants for discovery and innovation to improve patient health and outcomes (e.g. Stem Cell research, cancer vaccines, hormone therapies, biomaterials, biomedical devices and personalized medicine). Research also drives innovation, new startup companies and creates jobs. 99 patents awarded to UCONN Health Center researchers since 1980.



Note: This graph includes the full grant amount in the year the grant is awarded (even if the award is a multi-year award). (Awards exclude gifts)

Jobs, Economic Growth, Innovation

Connecticut's Only Public Academic Health Center



Population Health and Public Health

MPH program

CT Health Information Network

Health Disparities Institute

Center for Public Health & Health Policy

Jobs, Economic Growth, Innovation

A Resource to the Community and the State

Community Service: UConn physicians, dentists, residents, medical and dental students provide thousands of hours of free healthcare to Connecticut's most medically vulnerable citizens, for example:

- Migrant Farm Worker Clinic
- South Park Inn Medical Clinic (Hartford)
- South Marshall Street Homeless Clinic (Hartford)
- YMCA Adolescent Girls Medical Clinic (Hartford)
- Camp Courant Dental Screening Program
- Covenant House (Willimantic)

Building and Developing the Healthcare Provider Pipeline: Initiatives to grow the number of under-represented minorities enrolled in healthcare education and increase the number of healthcare professionals practicing in urban settings and other areas across the state:

- AETNA Health Professions Partnership Initiative
- Area Health Education Center program (AHEC), located in Farmington with four regional centers in Bridgeport, Hartford, Norwich and Waterbury
- Urban Service Track

UConn Health Center: Thank You!